

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NORTH DAKOTA
SOUTHWESTERN DIVISION**

Encore Operating LP and William A.)
Stewart d/b/a William A. Stewart &)
Associates,)

Plaintiffs,)

vs.)

Stephen Morris, Blue Diamond LLC,)
Terina Bailey, Joann Nelson, and Panda)
Petroleum, Inc.,)

Defendants;)

Case No. 1:06-cv-086

Stephen Morris, Blue Diamond LLC, Terina)
Bailey and Joann Nelson,)

Third-Party Plaintiffs,)

vs.)

Scott Schroeder,)

Third-Party Defendant.)

ORDER OF CONSOLIDATION

Encore Operating LP and William A.)
Stewart d/b/a William A. Stewart &)
Associates,)

Plaintiffs,)

vs.)

Case No. 1:06-cv-088

Evertson Operating Company, Inc.,)
Evertson Well Service, Inc., Evertson)
Exploration, LLC, Evertson Oil Company,)
Inc., Evertson Limited Family Partnership,)
Evertson Management, Inc., Evertson)
Energy Partners Royalty, LLC, Castronics,)
Inc., and Everair, LLC,)

Defendants.)

At the show cause hearing on January 10, 2007, counsel for Panda Petroleum, Inc. moved to consolidate the above-entitled actions. Counsel for Evertson Operating Company, Inc., and its subsidiaries joined in the motion, and the attorneys for Encore Operating LP and William A. Stewart, d/b/a William A. Stewart & Associates, Scotti Gray and Kent Reiersen, also agreed to a consolidation on the record.

Rule 42 of the Federal Rules of Civil Procedure allows for the consolidation of actions involving common questions of law or fact pending before the Court. Having reviewed the parties respective pleadings, the Court finds that common questions of law and fact exist so as to warrant consolidation. Further, a consolidation of the above-entitled actions would provide for the best use of judicial resources.

The Court **GRANTS** Panda Petroleum, Inc.'s oral motion to consolidate. Case Numbers 1:06-cv-086 and 1:06-cv-088 shall in all respects be **CONSOLIDATED**. Case No. 1:06-cv-86 shall be designated the lead file and all future filings shall be made in that file.

IT IS SO ORDERED.

Dated this 17th day of January, 2007.

/s/ Daniel L. Hovland

Daniel L. Hovland, Chief Judge
United States District Court